In the specification:

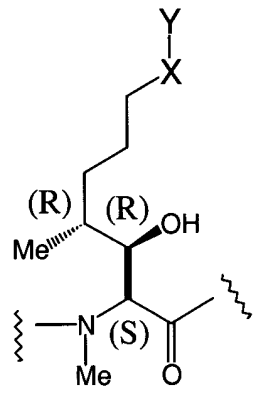
Please replace Abstract appearing on page 37 with the following:

Tthe present invention relates to a cyclosporin analog of the following formula (I) or aits pro-drug or pharmaceutically acceptable salt ~~thereof~~:

A---B---Sar-MeLeu-Val-MeLeu-Ala---U---MeLeu-MeLeu-MeVal
1 2 3 8 11

**(I)**

In formula I, the formula for residue A is:




where X ~~is absent, -C1-C6 alkyl-, or -C3-C6 cycloalkyl-; Y is selected from the groups: -C(O)-O-R1; -C(O)-S-R1; -C(O)-OCH2-OC(O)R2; -C(S)-O-R1; and -C(S)-S-R1; where R1 is hydrogen, C1-C6 alkyl optionally substituted with halogen, heterocyclics, aryl, C1-C6 alkoxy or C1-C6 alkylthio or halogen substituted C1-C6 alkoxy, halogen substituted C1-C6 alkylthio and where R2 is C1-C6 alkyl optionally substituted with halogen, C1-C6 alkoxy, C1-C6 alkylthio heterocyclics or aryl; B is -αAbu-, -Val-, -Thr- or -Nva-; and U is -(D)Ala-, -(D)Ser- or -[O-(2-hydroxyethyl)(D)Ser]-, or -[O-acyl(D)Ser]- or -[O-(2-acyloxyethyl)(D)Ser]-.~~ and Y are defined herein. In a second embodiment, the present invention relates to ~~the use of the cyclosporin analogs of the present invention or a pro-drug or pharmaceutically acceptable~~

~~salt thereof in~~ pharmaceutical compositions comprising pro-drugs or pharmaceutically acceptable salts of the compounds of the present invention and the use thereof for ~~the treatment of~~treating asthma and other diseases characterized by airflow obstruction in a subject. In a third embodiment, the present invention relates to processes for the production of novel cyclosporin analogs of the present invention. ~~The present invention also contemplates method(s) of treatment of asthma and other diseases characterized by airflow obstruction in a subject by administering to the subject therapeutically effective amounts of the cyclosporin analogs of the present invention with or without the concurrent use of other drugs or pharmaceutically acceptable carriers or excipients.~~

Please amend the paragraph beginning on line 17 of page 2 as follows:

B1

Chronic obstructive airways disease, chronic obstruction lung disease and 'smoker's chest' have all been used to describe what is now known as chronic obstructive pulmonary disease (COPD). COPD is characterized by progressive irreversible airway obstruction. It can lead to death from respiratory or cardio-respiratory failure. COPD consists of two subsets: chronic bronchitis and emphysema. In practice, it is very difficult to define the contribution of each of these two conditions to the obstruction of the airway and this has led to the displacement of these labels by the non-specific term COPD. The pathology of COPD is not fully elucidated, but features include hypertrophy of mucus-secreting glands, inflammation (including infiltration with lymphocytes) and goblet cell hyperplasia.

Please amend the paragraph beginning on line 1 of page 3 as follows:

Current drugs for treating asthma are corticosteroids (such as beclomethasone, triamcinolone), beta adrenergics (such as epinephrine, albuterol, bitolterol), Non Steroidal Anti-Inflammatory Drugs (NSAIDS), leukotriene antagonists, Xanthines (methyl xanthines such as theophylline, oxtriphylline) and anticholinergics (such as atropine, ipratropium bromide).

Please amend the paragraph beginning at line 11 of page 27 as follows:

Compounds in dimethyl sulfoxide (DMSO) (2.4µl) were added to a 96-well microplate and mixed with 50µl assay buffer (50mM Tris-HCl, pH 7.5; 100mM sodium chloride; 6mM magnesium chloride; 0.5mM dithiothreitol, 0.025% NP-40, 500µM calcium chloride, 0.27µM Calmodulin) containing 10µM Cyclophilin and 3nM Calcineurin. After warming to 37 °C for 60 mins, the enzymatic reaction was initiated by addition of phosphopeptide (7.5µl) to give a final concentration of 94µM. Phosphate release after 60 min at 37 °C was determined by addition of Biomol Green (100 µl) and measurement of the absorbance at 620nm after 15 mins at room temperature.

B1

Please amend the paragraph beginning at line 23 of page 30 as follows:

Efficacy of administered test substance is determined by bronchoalveolar lavage (BAL) and cell counting. For this purpose animals are sacrificed with Na pento-barbitone (100 mg/kg i.p.) and the trachea is exposed and cannulated. 5 successive 10 ml aliqots of $Ca^{2+}$ and $Mg^{2+}$ free Hank's balanced salt solution (HBSS), containing bovine serum albumin (BSA, 0.3%), EDTA (10mM) and 4-(2-hydroxyethyl)-1-piperazineethanesulfonic acid (HEPES) (10 mM) is then introduced into the lung and immediately aspirated by gentle compression of the lung tissue. Total cell counts in pooled eluates are determined using an automatic cell counter. Lavage fluid is centrifuged at 200g for 10 minutes and the cell pellet resuspended in 1 ml of supplemented HBSS. 10 µl of this cell suspension is added to 190 µl of Turk's solution (1:20) dilution). Differential cell counts are made from smears stained by Diff-Quick. Cells are identified and counted under oil immersion (x1,000). A minimum of 500 cells per smear are counted and the total population of each cell type is calculated.